

CITY OF NEWBERG COUNCIL MINUTES
JUNE 4, 2012
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING TRAINING ROOM (401 EAST THIRD STREET)

A work session was held at 6:00 PM. Presentation was given by Environmental Specialist Sonja Johnson and Operations Superintendant Dain Eichel on the Stormwater Management Program. All Councilors and the Mayor were present; general discussion occurred and no decisions were made.

I. CALL MEETING TO ORDER

Mayor Bob Andrews called the meeting to order at 7:13 PM.

II. ROLL CALL

Members

Present:	Mayor Bob Andrews	Denise Bacon	Ryan Howard	Stephen McKinney
	Marc Shelton	Bart Rierson (arrived at 6:02 PM)		Wade Witherspoon

Staff

Present:	Terrence Mahr, City Attorney	Norma I. Alley, City Recorder
	Barton Brierley, Planning and Building Director	Jay Harris, City Engineer
	Paul Chiu, Senior Engineer	Nicole Tannler, Minutes Recorder

Others

Present: Lee Does, Lewis Schaad, Sid Friedman, Chuck Zickefoose, Dennis Gaibler, and Robert Soppe

III. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

IV. CITY MANAGER'S REPORT

Mr. Terry Mahr, City Attorney, standing in for Mr. Dan Danicic, City Manager, reported a meeting will be held on Thursday June 7, 2012, at noon in the City Hall regarding the Newberg-Dundee Bypass Funding Intergovernmental Agreement (IGA).

V. PUBLIC COMMENTS

Mayor Andrews opened and closed the public testimony; no citizens appeared.

VI. CONSENT CALENDAR

1. Consider a motion approving the May 7, 2012, City Council meeting minutes.

MOTION: Witherspoon/Shelton approving the Consent Calendar including the amended City Council minutes from May 7, 2012. Motion carried (7 Yes/0 No).

VII. PUBLIC HEARINGS

1. Consider a motion adopting **Ordinance No. 2012-2751** adopting revised findings for the South Industrial Urban Growth Boundary (UGB) amendment and revisions to the Economic Opportunities Analysis (EOA).

TIME – 7:16 PM

Mayor Andrews introduced the legislative hearing in the fourth reading and called for any conflicts of interest or abstentions; none appeared. He reopened public testimony.

Mr. Barton Brierley, Planning and Building Director, presented the staff report accompanied by a PowerPoint slideshow (see official meeting packet for full report).

Councilor Shelton commented on a statistic from The Newberg Graphic stating 25% of Newberg residents work and live in Newberg and 75% of the residents leave Newberg to work. He stated and asked there is an understanding in keeping some people here with retail, what retail space is available and what about the potential with industrial that could employ fifty to one hundred people. Staff responded there is a lack of land for industrial use. This is a proposal for expansion for industrial jobs that will definitely add jobs to the community. Councilor Shelton added he understands the need for shopping and access to services, but jobs are most important. Staff replied yes, it is extremely important to bring jobs into the city with positive impacts being not having to drive far, which is also good on the environment, traffic, and community; retail jobs circulating money that is already in the community; and meets the city need for primary employers bringing new money into the community, which funds public safety, schools, builds communities, and improves quality of life.

Mayor Andrews asked what could be considered commercial. Staff replied the four categories are residential, institutional, commercial, and industrial; commercial is retail service type uses for example repair shops, non-profits, and doctor's offices. Mayor Andrews asked if distribution centers would be considered commercial. Staff replied no, distribution centers are light industrial.

Mayor Andrews opened public testimony.

Mr. Dennis Gaibler, Wilsonville resident, stated he is in support of this ordinance and thinks council needs to take control of the development environment. Opponents to the UGB want to stop industrial development on large parcels. Traded sector employers export goods and services from the region and that brings in revenue. He commented what would our city be without A-dec or the other industrial employers and would they be here if land use planning obstructions had been in place when they decided to come to Newberg. Traded sector employers typically reward service employees with significant increase in revenue and high tech are usually larger than that. Reasonably the city could land such companies as Intel or high tech employers and encouraged the council to "hold the course and fight the fight".

Mr. Lee Does said he is a vested resident in the area and would like to see Newberg succeed. As a farmer and land owner, he feels a large responsibility to protect farm land. He is not sure this is a good time to expand the UGB in a nationwide recession. He believes there are certainly plenty of extra buildings in town right now. Mr. Does talked about the letter from his employer and why his employer did not choose to move his company to Newberg. Mr. Does encouraged council to get back to the negotiating table with opponents looking to land use laws.

Councilor Shelton stated in the letter the CEO noted one of the concerns was ready access to supplies and transportation. If we move forward with the south industrial plan and the bypass it should improve access. Mr. Lee replied that it is too hard to get in and out of Newberg and believes the bypass is not going to make a huge difference.

Mr. Lewis Schaad, Newberg resident, stated he is excited about a potential compromise with Friends of Yamhill County and encouraged the council to look in that direction.

Mr. Sid Friedman, Friends of Yamhill County and 1000 Friends of Oregon, distributed an ordinance from 2007 to council. He stated we met with you for a possible compromise and believed the meetings were productive. He is disappointed to learn the City is still proposing the same plan. It is puzzling that the City claims they need land immediately while this ordinance guarantees years of delay. We are sympathetic for industrial land, but this is a problem of the City's own making. The city had large amounts of high quality industrial and commercial land, but it went with the Springbrook Master Plan in 2007. The City then immediately claimed it needed more industrial land. At the same time, the City made an agreement with the owner of prime farmland to try to bring it into the UGB for industrial use. The City created a master plan for the farm land prior to drafting an EOA or completing an alternative analysis. The City has only come to one conclusion, which is they can only use the pre-selected area. According to the City's record, the proposed expansion area will require expensive pump stations to serve it and if it is brought into the UGB the infrastructure will take years to construct with no funding. The most expensive property to develop coincides with the best farmland on Gaibler parcels East of 219. Several alternative sites were discussed to allow Newberg to accommodate industrial needs. South Springbrook is shovel ready and next to city water and sewer mains and the development will cost tax payers less. On page two, of the 2007 ordinance, it states nothing shall be construed as requiring annexation of property into the city and nothing binds this council to make any decision. The risk is considerable and if the council accepts the staff's recommendation, down the road the City will not likely have added any industrial land, which is not in the best interest of the city. He urged the council to reconsider.

Councilor Shelton asked Mr. Gaibler what the agricultural use has been for his property. Mr. Gaibler stated grass seed and wheat and four weeks of man hour employment are devoted to these fifty acres. He added anyone can see opportunities for the city with putting in industrial land.

Mayor Andrews closed public testimony.

Barton Brierley concluded he worked closely with a large segment of the community with over one hundred opportunities for public input in developing these plans. Staff recommends preparation of the final ordinance.

Councilor Shelton asked could larger companies come to Newberg and grow. Staff replied we do not know where they would go. Several local businesses said they would go to the south industrial area. Councilor Shelton asked if Climax decides they are too big for their location, are there any current locations for them. Staff answered no, they would have to split their facilities.

Mayor Andrews stated Mr. Friedman made a reference to item number two in the ordinance he handed out and is relying on the wording that nothing in the ordinance shall be construed as requiring the City to include the property in the URA or UGB or to annex the property. Terry Mahr stated the ordinance adopted the development agreement and specifies nothing that requires us to include land in the UGB or URA; rather, it requires us to diligently pursue its inclusion, but does not mandate any decision.

Mayor Andrews asked if there will be a rewrite of the ordinance presented by staff tonight. Barton Brierley replied yes.

MOTION: Shelton/Bacon to postpone to June 18, 2012, Meeting. Motion carried (7 Yes/0 No).

Mayor Andrews stated the written record will remain open for seven days for additional written testimony.

VIII. NEW BUSINESS

1. Consider a motion approving **Resolution No. 2012-3006** authorizing the city manager to enter into a contract amendment with Mortenson Construction, Inc., for the secondary clarifier and remaining urgent repairs at the WWTP.

TIME – 8:09 PM

Jay Harris, City Engineer, presented the staff report (see official meeting packet for full report).

Mayor Andrews asked what the repayment schedule is and if interest is accruing during the project. Staff replied it is a twenty-five year loan with a variable annual interest of about 2.6-2.9 percent and yes, interest will be accruing during construction.

Chuck Zickefoose, Citizens' Rate Review Committee, stated he fully supports this resolution and believes it is necessary.

Councilor Shelton stated these are important repairs for the use of this facility to build capacity and supports this motion.

Councilor Witherspoon commented it appears the 4.3 million will take the line of credit to 7.5-8 million dollars and asked if the rest of the credit will be used for future planning. Staff replied a portion will be used for design of the next phase of the project.

MOTION: Shelton/Howard approving **Resolution No. 2012-3006** authorizing the city manager to enter into a contract amendment with Mortenson Construction, Inc., for the secondary clarifier and remaining urgent repairs at the WWTP. Motion carried (7 Yes/0 No).

2. Consider a motion adopting **Ordinance No. 2012-2753** granting Comcast Cable a four month extension on the Cable Franchise Agreement.

TIME – 8:25

Mr. Terry Mahr, City Attorney, presented the staff report (see official meeting packet for full report).

MOTION: Howard/Shelton adopting **Ordinance No. 2012-2753** granting Comcast Cable a four month extension on the Cable Franchise Agreement. Motion carried (7 Yes/0 No).

IX. COUNCIL BUSINESS

Mayor Andrews reversed the order of council business and started with the discussion on the potential formation of a Local Improvement District on the west side of N. College Street from Illinois Street to Aldercrest Drive.

1. Information on Building Permit Fees determination methods.

TIME – 9:13 PM

Mr. Barton Brierley, Planning and Building Director, presented the staff report accompanied by a PowerPoint slideshow (see official meeting packet for full report).

Mayor Andrews asked what is used as the permit fee multiplier. Staff replied the valuation based on the price is used, which is updated every April 1st.

Council Howard asked is the permit fee multiplier the total annual construction value and if the multiplier would change if building values dropped. Staff answered we have kept our general fee multiplier the same and is based on required employees.

2. Discussion on the potential formation of a Local Improvement District on the west side of N. College Street from Illinois Street to Aldercrest Drive.

TIME – 8:31 PM

Mr. Paul Chiu, Senior Engineer, presented the staff report (see official meeting packet for full report).

Mayor Andrews asked for clarification on the different figures from page 113 versus page 117 identifying properties. Staff replied one refers to the total number of properties and the other subtracts the seven with Waivers of Remonstrance (waivers). Mayor Andrews replied that there are fifty lots, with and without frontage, with waivers. Staff described that seven have frontages and forty three do not, which totals fifty and nineteen do not have waivers.

Councilor Rierson asked if the total cost would be in the 4-8 million dollar range with financing over ten years. Staff replied yes.

Councilor Shelton asked why those that do not have frontage on College are included. Staff replied it was a subdivision built with the understanding the entire subdivision would be included as one parcel, which is why they all have waivers.

Councilor Howard stated the average assessment seems to be \$100.00-\$400.00. Staff replied yes, it varies depending on lot size.

Mayor Andrews asked if it was 40% or 60% needed to stop it. Terry Mahr replied 60% have to object in order to stop it.

Mr. Robert Soppe reported that in the Executive Summary it states “Once the LID is initiated, support must be obtained from a minimum of 40% of the affected property owners, per City Municipal code Section 3.15.050”. He believes it is a misstatement of the code because 3.15.050 is not the proper citation. It does not describe requirements for support, but does require notification of the property owners about their rights. The only requirement close is 3.15.070, which refers to sixty percent can bar LID by filing a remonstrance. Which means lack of sixty percent opposition is the standard, not forty percent support. He challenged the council to find the word support anywhere in the cited code. The closest thing found was in 3.15.140, which allows notification requirement of 3.15.050 to be waived if there is written consent by the affected property owners. The noticeable benefits are physical improvements to the sidewalk, storm drainage, and likely increased property value; as well as when the homes were constructed the developer could have passed the cost savings of deferral to them. Mr. Soppe noted those with obligation through waivers still have about eighty percent of the cost covered through the ODOT grant. The question should be specifically who should pay and if council chooses to put the entire burden on the SDC fund it could be an assessment on future builders who receive no benefit from this improvement. The LID could be initiated so that only the properties with waivers are included. To use Executive Summary language, that would result in one hundred percent approval of the LID. We have property owners who legally agreed to no objection if an LID was created for the improvements on College Street and they received a financial benefit from this agreement. I find it unreasonable to apply the obligation on other developers.

Councilor Rierson asked if forming an LID would delay the project. Paul Chiu replied no, because staff will be doing a design for the first year and it will be one to two years before construction begins. Councilor Rierson recommended staff look into developing a funding mechanism.

MOTION: **Howard/McKinney** directing staff to prepare information on a potential formation of a Local Improvement District on the west side of N. College Street from Illinois Street to Aldercrest Drive. Motion carried (7 Yes/0 No).

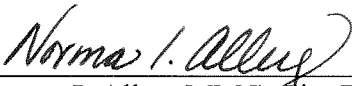
Councilor Rierson invited the council to the summer opening of the Paddle Lunch on June 9th at the end of 8th Street in Dundee. He stated there are new improvements to allow launching of multiple crafts at one time.

Councilor Howard invited the council to the Summer Bike Festival held this weekend to celebrate the grand opening of our bikeway.

X. ADJOURNMENT

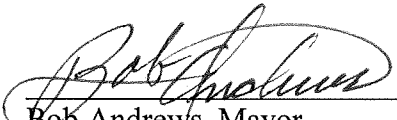
The meeting adjourned at 9:40 PM.

ADOPTED by the Newberg City Council this 16th day of July, 2012.



Norma I. Alley, MMC, City Recorder

ATTEST by the Mayor this 19th day of July, 2012.



Bob Andrews, Mayor